

1209

THE ASSIST AGENCY, INC.
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **OCT 12 2011**

THE ASSIST AGENCY, INC.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors
The Assist Agency, Inc.
Crowley, Louisiana

We have audited the accompanying financial statement of financial position of The Assist Agency, Inc. (a nonprofit organization) as of December 31, 2010, and the related statement of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organizations' management. Our responsibility is to express an opinion on these financial statements based on my audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for my opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Assist Agency, Inc. as of December 31, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2011, on our consideration of The Assist Agency, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements of The Assist Agency, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

*Wright, Moore, DeHart,
Dupuis & Hutchinson*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
(Certified Public Accountants)

Lafayette, Louisiana
September 28, 2011

THE ASSIST AGENCY, INC.

**STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2010**

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 146,480
Accounts Receivable	52,860
Other Receivables	101,680
Investments in Partnerships	100
Prepaid Expenses	6,328
Notes Receivable - Current Portion	26,979
Allowance for Uncollectible Notes Receivable	<u>(26,139)</u>
Total Current Assets	<u>308,288</u>

FIXED ASSETS

Furniture and Equipment	155,406
Vehicles	21,626
Less: Accumulated Depreciation	<u>(150,719)</u>
Net Fixed Assets	<u>26,313</u>

TOTAL ASSETS

\$ 334,601

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$ 15,691
Accrued Payroll	6,177
Payroll Tax Liabilities	<u>3,546</u>
Total Current Liabilities	<u>25,414</u>

OTHER LIABILITIES

Accrued Compensated Absences	16,240
Security Deposits	<u>1,450</u>
Total Other Liabilities	<u>17,690</u>

TOTAL LIABILITIES

43,104

NET ASSETS

Unrestricted	290,097
Temporarily Restricted Net Assets	<u>1,400</u>
Total Net Assets	<u>291,497</u>

TOTAL LIABILITIES AND NET ASSETS

\$ 334,601

The Accompanying Notes are an Integral Part of These Statements.

THE ASSIST AGENCY, INC.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2010**

CHANGES IN UNRESTRICTED NET ASSETS:

UNRESTRICTED REVENUES AND SUPPORT

Contributions	\$ 67,836
Interest Income	840
Partnership Income	13,080
Rental Income	750
Developer Fee Income	20,504
Other	<u>63,532</u>
Total Unrestricted Revenues and Support	166,542

NET ASSETS RELEASED FROM RESTRICTIONS

Program Restrictions Satisfied	<u>1,567,485</u>
Total Revenues, Support, and Net Assets Released From Restrictions	<u>1,734,027</u>

EXPENSES

Program Activities:

Community Services Block Grant	296,208
Community Services Block Grant (ARRA)	753,268
Emergency Food and Shelter Program	9,102
Homeless Grant Program	16,501
Homeless Prevention and Rapid Rehousing Grant (ARRA)	136,433
J&K Hope Center	107,633
LA Community Housing Development Program	28,825
United Way Emergency Assistance Program	8,452
United Way Pharmaceutical Program	146
Other Program Activities	<u>54,820</u>
Total	1,411,388

Management and General	265,624
Fundraising Activities	<u>782</u>
Total Expenses	<u>1,677,794</u>

INCREASE IN UNRESTRICTED NET ASSETS	<u>56,233</u>
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CHANGES IN TEMPORARILY RESTRICTED NET ASSETS:

Grants	1,559,235
Contributions	8,250
Net Assets Released From Restrictions	<u>(1,567,485)</u>

INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	<u>-</u>
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INCREASE IN NET ASSETS	56,233
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NET ASSETS AT BEGINNING OF PERIOD	<u>235,264</u>
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NET ASSETS AT END OF PERIOD	<u><u>\$ 291,497</u></u>
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The Accompanying Notes are an Integral Part of These Statements.

THE ASSIST AGENCY, INC.

**STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>PROGRAM ACTIVITIES</u>	<u>MANAGEMENT AND GENERAL</u>	<u>FUNDRAISING</u>	<u>TOTAL</u>
Compensation and Related Expenses:				
Salaries	\$ 682,684	\$ 148,932	\$ -	\$ 831,616
Employee Benefits				
Payroll Taxes	69,692	13,498	-	83,190
Pension Expense	2,022	2,456	-	4,478
Group Insurance	9,752	8,252	-	18,004
Compensated Absences	-	(32)	-	(32)
Total	764,150	173,106	-	937,256
Administrative Fees	-	4,586	-	4,586
Advertising	729	30	-	759
Automobile Expenses	11,839	-	-	11,839
Bank Charges	-	2,067	-	2,067
Community Food	8,212	-	-	8,212
Contract Labor	2,685	-	-	2,685
Depreciation	5,157	5,165	-	10,322
Donations	-	600	-	600
Dues and Subscriptions	2,832	-	-	2,832
Emergency Assistance	496,037	-	-	496,037
Fundraising	-	-	782	782
Insurance	7,228	13,408	-	20,636
Interest Expense	-	187	-	187
Audit and Professional Fees	-	27,516	-	27,516
Medical Expenses	-	6,000	-	6,000
Meeting Expenses	-	1,642	-	1,642
Miscellaneous Expense	3,410	1,881	-	5,291
Office Expense/Supplies	13,827	4,218	-	18,045
Penalties and Fines	-	1,024	-	1,024
Postage	2,272	729	-	3,001
Registration Fees	-	1,160	-	1,160
Rent Expense	53,144	14,523	-	67,667
Repairs and Maintenance	5,827	2,947	-	8,774
Supplies	5,896	129	-	6,025
Telephone	15,541	1,324	-	16,865
Travel	3,473	2,210	-	5,683
Utilities	9,129	1,172	-	10,301
Totals	<u>\$ 1,411,388</u>	<u>\$ 265,624</u>	<u>\$ 782</u>	<u>\$ 1,677,794</u>

The Accompanying Notes are an Integral Part of These Statements.

THE ASSIST AGENCY, INC.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2010**

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in Net Assets	\$ 56,233
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided By Operating Activities:	
Depreciation	10,322
Change in Assets and Liabilities:	
Decrease in Accounts Receivable	10,953
Increase in Other Receivables	(10,411)
Increase in Accounts Payable	15,262
Decrease in Insurance Note Payable	(3,363)
Increase in Payroll Related Liabilities	3,865
Decrease in Accrued Compensated Absences	<u>(431)</u>
Net Cash Provided By Operating Activities	<u>82,430</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of Fixed Assets	(10,843)
Principal Payments Received on RBEG Program Loans	<u>89</u>
Net Cash Used In Investing Activities	<u>(10,754)</u>

NET INCREASE IN CASH 71,676

CASH AND EQUIVALENTS, BEGINNING OF PERIOD 101,207

CASH AND EQUIVALENTS, END OF PERIOD \$ 172,883

The Accompanying Notes are an Integral Part of These Statements.

THE ASSIST AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2010

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – The Assist Agency, Inc. is a non-profit corporation chartered by the State of Louisiana on March 15, 1976. The Primary function of The Assist Agency, Inc. is to provide services to low-income, handicapped and homeless individuals in the form of weatherization assistance, emergency food and shelter, food distribution, low-income housing assistance and other related social and emergency services in Acadia, Vermilion and Jefferson Davis Parishes. The Board of Directors governs the operations of the Organization and those Directors receive no compensation for their services.

Financial Statement Presentation –The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Basis of Accounting - The financial statements of The Assist Agency, Inc. have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Contributions - Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Income Taxes - The Assist Agency, Inc. is a not-for-profit Organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. The Organization is also exempt from Louisiana income tax. Income determined to be unrelated business income is taxable.

Donor Restricted Funds – All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases these net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the program restrictions satisfied.

Property and Equipment – Property and equipment are valued at historical cost for assets purchased and at fair market value at the date of donation for contributed assets. Donations of property and equipment are recorded as support at their estimated fair market value and are reported as unrestricted unless the donor has restricted the donated assets for a specific purpose. The Organization is not allowed to dispose of any fixed assets purchased with grant proceeds without the approval of the grantor agency. In addition, the Organization currently uses equipment whose title is held by the Louisiana Department of Labor under the Community Services Block Grant. The total cost of this equipment is \$52,237. Depreciation is computed using the straight-line method over the assets' useful lives. Depreciation expense was \$10,322 for the year ended December 31, 2010.

Cash and Cash Equivalents – For purposes of the Statement of Cash Flows, the Organization considers all investments purchased with an original maturity of three months or less to be cash equivalents, excluding permanently restricted cash and cash equivalents.

Federal Financial Awards - Revenues for direct and indirect federal grants and contracts are recorded based on expenses incurred for contracts that are on a cost reimbursement basis, and based on the units of service for those contracts which are on a fee for service basis. In the statement of activities, these revenues are referred to as Grants and Other Unrestricted Revenues and Support. Related contract receivables are referred to as accounts receivable in the statement of financial position.

THE ASSIST AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Donated Services – The Organization recognizes donated services that (a) create or enhance nonfinancial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. At December 31, 2010, there were no material donated services.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principals requires management to make estimates and assumptions that affect the reported amounts of assets at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising Costs – The Organization uses advertising to promote its programs among the individuals it serves. The cost of this advertising is expensed as incurred. Advertising costs for the year ended December 31, 2010 was \$759.

(B) TEMPORARILY RESTRICTED NET ASSETS

Net Assets were released from donor restrictions by incurring expenses satisfying the purpose or time restrictions specified by donors as follows:

Community Services Block Grants	\$ 515,020
Community Services Block Grant (ARRA)	735,881
Homeless Shelter Grant	15,653
Emergency Shelter National Board Program	8,600
HAC Compassion Capital Fund Grant	8,650
United Way - Emergency Assistance	8,250
Homeless Prevention and Rapid Rehousing Grant (ARRA)	148,732
HUD Supportive Housing Program	96,888
HUD HOME Investment Partnership Program	29,811
	<u>\$ 1,567,485</u>

(C) ACCOUNTS RECEIVABLE

At December 31, 2010 accounts receivable was composed of the following:

Homeless Prevention and Rapid Rehousing Grant (ARRA)	\$ 8,337
Homeless Shelter Grant	10,032
LA Housing Finance Agency	20,000
HUD Special Needs Assistance	8,131
Other	6,360
	<u>\$ 52,860</u>

THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010**

(C) ACCOUNTS RECEIVABLE – continued...

The Organization generally does not require collateral, and the majority of its receivables are unsecured. The carrying amount for accounts receivable approximates fair value.

(D) ACCRUED COMPENSATED ABSENCES

Employees earn from six to eighteen days each of annual leave and sick leave each year, depending on their length of service. The maximum amount of annual leave an employee is allowed to carry over is 120 hours (15 days). Upon termination, employees are paid for all unused annual leave (up to 120 hours). Accordingly an accrual has been made for accumulated annual leave as of December 31, 2010.

(E) RETIREMENT PLAN

The Organization contributes to a Savings Incentive Match Plan for Employees of Small Employers (SIMPLE). All employees of the Organization are eligible to participate. The Organization contributes up to 3.00% of each employee's compensation for the calendar year to a SIMPLE IRA for each employee who has at least \$5,000 in compensation for the previous year. Retirement plan expense for the year ended December 31, 2010 was \$4,468.

(F) INVESTMENTS IN LIMITED PARTNERSHIPS

On December 15, 1995, the Organization entered into a limited partnership known as Southwind Apartments, ALPIC, as managing general partner. The partnership owns and operates a multi-family housing facility in Jefferson Davis Parish, Louisiana, for use and occupancy by individuals and families of low to moderate income, in accordance with the terms and conditions of participation in the Home Affordable Rental Housing Program. The Organization has an equity position of .50% in the partnership. However, as a general partner, the Organization is potentially liable for all the debts of the partnership.

On October 23, 1997, the Organization entered into a limited partnership known as Westfield Apartments, ALPIC as managing general partner. The partnership owns and operates a multi-family housing facility in Jefferson Davis Parish, Louisiana, for use and occupancy by individuals and families of low to moderate income, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Organization has an equity position of .50% in the partnership. However, as a general partner, the Organization is potentially liable for all the debts of the partnership.

On September 21, 2000, the Organization entered into a limited partnership known as Acadian Place Apartments, ALPIC as managing general partner. The partnership was formed to develop multi-family housing in Church Point, Louisiana, for use and occupancy by individuals and families of low to moderate income, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Organization has an equity position of .01% in the partnership. However, as a general partner, the Organization is potentially liable for all the debts of the partnership.

THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010**

(F) INVESTMENTS IN LIMITED PARTNERSHIPS -- continued...

On September 21, 2000, the Organization entered into a limited partnership known as Southern Apartments Partnership, as managing general partner. The partnership was formed to develop multi-family housing in Iota, Louisiana, for use and occupancy by individuals and families of low to moderate income, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Organization has an equity position of 2.50% in the partnership. However, as a general partner, the Organization is potentially liable for all the debts of the partnership.

On May 15, 2006, the Organization entered into a limited partnership known as Bobby Smith Subdivision I Limited Partnership, as managing general partner. The partnership was formed to develop, build, own and operate a scattered site residential housing complex Acadia Parish, for the purposes of providing affordable housing, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Organization has an equity position of .005% in the partnership. However, as a general partner, the Organization is potentially liable for all the debts of the partnership.

On May 15, 2006, the Organization entered into a limited partnership known as Bobby Smith Subdivision II Limited Partnership, as managing general partner. The partnership was formed to develop, build, own and operate a scattered site residential housing complex in Acadia Parish, for the purposes of providing affordable housing, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Organization has an equity position of .005% in the partnership. However, as a general partner, the Organization is potentially liable for all the debts of the partnership.

On March 15, 2007, the Organization entered into a limited partnership known as South Church Point Subdivision Limited Partnership, as managing general partner. The partnership was formed to develop, build, own and operate a scattered site residential housing complex in Acadia Parish, for the purposes of providing affordable housing, in accordance with the terms and conditions of participation in the HOME Affordable Rental Housing Program. The Organization has an equity position of .005% in the partnership. However, as a general partner, the Organization is potentially liable for all the debts of the partnership.

The Organization is paid monthly for services provided to the partnerships. For the year ended December 31, 2010, the Organization received \$13,080 for these services. The Organization also received developer fees in the amount of \$20,504 related to the Bobby Smith Subdivision I & II project and the South Church Point Subdivision project.

THE ASSIST AGENCY, INC.

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010

(G) NOTES RECEIVABLE

During 2001, the Organization loaned \$30,000 that it received from the USDA – Rural Development under the Rural Business Enterprise Grant (RBEG) Program. Funds under this program may only be loaned to approved entities and are non-transferable. The funds were loaned to a small business at 7.00% for 115 months. The monthly payment is \$594.04. At year-end, the market value of this note approximated the reported cost.

\$ 26,139

During 2004, the Organization loaned \$7,500 that it received from the USDA – Rural Development under the Rural Business Enterprise Grant (RBEG) Program. Funds under this program may only be loaned to approved entities and are non-transferable. The funds were loaned to a small business at 7.00% for 60 months. The monthly payment is \$148.51. At year-end, the market value of this note approximated the reported cost.

840

Total Revolving Loans Receivable

26,979

Less: Current Portion

(26,979)

Long Term Portion of Revolving Loans Receivable

\$ -

The allowance for uncollectible receivables is the total of the note in the amount of \$26,139 which has been determined potentially uncollectible due to a failure to receive payments and the bankruptcy of the debtor.

Net Notes Receivable at December 31, 2010 are as follows:

Total Revolving Loans Receivable

\$ 26,979

Less: Allowance for Uncollectible Loans Receivable

(26,139)

Net Total Revolving Loans Receivable

\$ 840

(H) CASH FLOW DISCLOSURES

For the year ended December 31, 2010, the Organization paid interest totaling \$187.

(I) CONCENTRATIONS OF CREDIT RISK

The Organization receives funding from the U.S. Department of Health and Human Services in the form of Community Services Block Grant funds that are passed through the Louisiana Department Labor, Office of Workforce Development. During 2010, the Organization received \$515,020 of Community Services Block Grants and \$735,881 in ARRA Community Service Block Grants. This amount represents 72.14% of total revenues and support received by the Organization for the year ended December 31, 2010. A change in this funding could substantially affect the operations of the Organization.

THE ASSIST AGENCY, INC.

**NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2010**

(J) RELATED PARTY TRANSACTION

In June 2008, Friends of ASSIST, a 501(c)(3) Organization sharing a common board of directors with The Assist Agency, Inc. was formed. In 2009, The Assist Agency, Inc. advanced a total of \$91,269 in cash and organizational expense payments on behalf of the Friends of ASSIST. The Assist Agency, Inc. intends to collect the amount and it is therefore classified as a current asset in the amount of \$91,269 reported in Other Receivables as of December 31, 2010.

(K) FINANCIAL INSTRUMENTS

Financial instruments that potentially subject The Assist Agency, Inc. to concentrations of credit risk consist principally of temporary cash investments. The Organization places its temporary cash investments with one high quality financial institution. At times amounts may be in excess of FDIC insurance limits. As of December 31, 2010, the Organization had no significant concentrations of credit risk.

The fair values of The Assist Agency, Inc.'s financial instruments are as follows:

Cash and short-term investments – The carrying amount approximates fair value because of the short maturities of those investments.

Long-term liabilities – Fair value approximates carrying value since states rates are similar to rates currently available to the Organization for debt with similar terms and remaining maturities.

(L) NONCOMPLIANCE WITH GRANTOR RESTRICTIONS

Financial awards from federal, state, and local governmental entities in the form of grants are subject to special audit. Such audits could result in claims against the Organization for disallowed costs or noncompliance with grantor restrictions. No provision has been made for any liabilities that may arise from such audits since the amounts, if any, cannot be determined at this date.

(M) SUBSEQUENT EVENTS

Subsequent events were evaluated through September 28, 2011, which is the date the financial statements were available to be issued.

THE ASSIST AGENCY, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2010

Federal Grantor Program Title	Federal CFDA Number	Grant Number	Federal Expenditures	Amounts to Subrecipients
U.S. Department of Health and Human Services				
Passed through the Louisiana Department of Labor, Office of Workforce Development:				
Community Services Block Grants:				
CSBG Subgrant	93.569 *	2009N0039	\$ 141,579	\$ -
CSBG Subgrant	93.569 *	2010N0039	373,441	-
ARRA CSBG Subgrant	93.710 *	2009N0039(ARRA)	735,881	-
Passed through the Housing Assistance Council				
Compassion Capital Fund Grant	93.009	N/A	8,650	-
Passed through the United Way of Acadiana:				
Emergency Food and Shelter Grant	97.024	Phase 28	8,600	-
Temporary Assistance for Needy Families - EITC Outreach and Free Tax Assistance Grant	93.558	CFMS672206	7,551	-
U.S. Department of Housing and Urban Development				
Supportive Housing Program:				
Supportive Housing Grant	14.235	LA0009B6H000801	72,579	-
Supportive Housing Grant	14.235	LA0009B6H000802	24,309	-
Passed through the LA Department of Social Services and the Acadia Parish Police Jury:				
Emergency Shelter Grant	14.231	CFMS697198	5,621	-
Emergency Shelter Grant	14.231	CFMS69783	10,032	-
Passed through the Acadia Parish Police Jury:				
Homeless Prevention and Rapid Rehousing (ARRA)	14.257	685495	124,922	-
Passed through the Jefferson Davis Parish Police Jury:				
Homeless Prevention and Rapid Rehousing (ARRA)	14.257	685488	23,810	-
Passed through the Louisiana Housing Finance Agency:				
HOME Investment Partnership Program Grant	14.239	N/A	29,811	-
Total Expenditures			<u>\$ 1,566,786</u>	<u>\$ -</u>

* - denotes a major program

NOTE:

The accompanying Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting.

WRIGHT, MOORE, DEHART, DUPUIS & HUTCHINSON, L.L.C.

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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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ABBY T. TRAHAN, CPA, MS
TINA E. VIATOR, CPA

To the Board of Directors
The Assist Agency, Inc.
Crowley, Louisiana

We have audited the financial statements of The Assist Agency, Inc. (a nonprofit organization), as of and for the year ended December 31, 2010, and have issued our report thereon dated September 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered The Assist Agency, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion of the effectiveness of The Assist Agency, Inc.'s internal control over financial reporting. According, we do not express an opinion on the effectiveness of The Assist Agency, Inc.'s internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses, 2010-1, 2010-2 and 2010-3.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompany schedule of findings and questioned costs to be significant deficiencies, 2010-1, 2010-2 and 2010-3.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether The Assist Agency, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2010-1.

The Assist Agency, Inc.'s response to the findings identified in our audit is described in the accompanying Management's Corrective Action Plan. We did not audit The Assist Agency, Inc.'s response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Directors, management, others within the organization, federal awarding agencies, pass-through entities and the Louisiana Legislative Auditor and is not intended to be and should not be used by anyone other than those specific parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document, therefore its distribution is not limited.

*Wright, Moore, DeHart,
Dupuis & Hutchinson*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
(Certified Public Accountants)

Lafayette, Louisiana
September 28, 2011

WRIGHT, MOORE, DeHART, DUPUIS & HUTCHINSON, L.L.C.

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** A LIMITED LIABILITY COMPANY

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

The Board of Directors
The Assist Agency, Inc.
Crowley, Louisiana

Compliance

We have audited The Assist Agency, Inc.'s (a nonprofit organization) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of The Assist Agency, Inc.'s major federal programs for the year ended December 31, 2010. The Assist Agency, Inc.'s major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the The Assist Agency, Inc.'s management. Our responsibility is to express an opinion on The Assist Agency, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about The Assist Agency, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on The Assist Agency, Inc.'s compliance with those requirements.

In our opinion, The Assist Agency, Inc. complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

Management of The Assist Agency, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered The Assist Agency, Inc.'s internal control over compliance with the requirements that could have a direct material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. According, we do not express an opinion on the effectiveness of The Assist Agency, Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Directors, management, others within the organization, federal awarding agencies, pass-through entities and the Louisiana Legislative Auditor and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Wright, Moore, DeHart,
Dupuis & Hutchinson*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
(Certified Public Accountants)

Lafayette, Louisiana
September 28, 2011

THE ASSIST AGENCY, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2010

We have audited the financial statements of The Assist Agency, Inc. as of and for the year ended December 31, 2010, and have issued our report thereon dated September 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States. Our audit of the financial statements of December 31, 2010 resulted in an unqualified opinion.

Section I Summary of Auditors' Reports

a. *Report on Internal Control and Compliance Material to the Financial Statements*

Internal Control

Significant Deficiencies	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Material Weaknesses	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Compliance

Noncompliance Material to Financial Statements	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
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b. *Federal Awards*

Major Programs Identification

The Assist Agency, Inc. at December 31, 2010, had one major program cluster:

- Department of Health and Human Services – Passed through the Louisiana Department of Labor, Office of Workforce Development- Community Services Block Grant CFDA No. 93.569
- Department of Health and Human Services – Passed through the Louisiana Department of Labor, Office of Workforce Development- Community Services Block Grant (ARRA) CFDA No. 93.710

Low-Risk Auditee

The Assist Agency, Inc. is not considered a low-risk auditee for the year ended December 31, 2010.

Major Programs - Threshold

The dollar threshold to distinguish Type A and Type B programs is \$300,000 for the year ended December 31, 2010.

THE ASSIST AGENCY, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
YEAR ENDED DECEMBER 31, 2009**

Auditor's Report - Major Programs

An unqualified opinion has been issued on The Assist Agency, Inc.'s compliance for its major programs as of and for the year ended December 31, 2010.

Significant Deficiencies – Major Program

There were no significant deficiencies noted during the audit of the major federal programs.

Section II - Financial Statement Findings

Finding No. 2010-1

Statement of Condition:

Management failed to take all steps necessary to ensure the timely submission of the December 31, 2010 audited financial statements as required.

Criteria:

Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide requires all engagements to be completed and transmitted to the legislative auditor within six months of the close of the entity's fiscal year.

Effect of Condition:

The condition has no effect on the financial statements of The Assist Agency, Inc.

Cause of Condition:

Management did not ensure that accounts with material balances were reconciled on a timely basis and within a reasonable amount of time in order to perform and complete an audit of the financial statements followed by submission of the audit report within the mandated time frame.

Recommendation:

Management should implement procedures to insure that all required filing deadlines are met.

Finding No. 2010-2

Statement of Condition:

Management failed to take all steps necessary to ensure that an effective structure of internal control was in place and functioning as designed in order to prevent, or detect and correct material misstatements on a timely basis.

Criteria:

Government Auditing Standards require that an adequate system of internal control be in place in order to safeguard assets and assure proper recording of transactions.

Effect of Condition:

The condition resulted in the auditors proposing numerous and material audit adjusting journal entries.

Cause of Condition:

Management did not establish an effective structure of internal control and did not maintain effective oversight to assure that the controls were in place and functioning as designed.

Section II - Financial Statement Findings-continued

Recommendation:

Management should implement procedures to insure that an adequate structure of internal control is in place and functioning as designed.

Finding No. 2010-3

Statement of Condition:

Management failed to maintain sufficient documentation for material non-recurring journal entries.

Criteria:

Auditing standards require that sufficient documentation in support of material non-recurring journal entries be maintained.

Effect of Condition:

The condition resulted in an elevated risk of material misstatement of the financial statements.

Cause of Condition:

Management did not establish an effective structure of internal control and did not maintain effective oversight to assure that the controls were in place and functioning as designed.

Recommendation:

Management should implement procedures to insure that an adequate structure of internal control is in place and functioning as designed.

Section III - Federal Awards Findings and Questioned Costs

The audit did not disclose any material noncompliance findings or questioned costs relative to its federal programs.

THE ASSIST AGENCY, INC.

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED DECEMBER 31, 2010**

This section is not applicable in the current year.

THE ASSIST AGENCY, INC.

**MANAGEMENT'S CORRECTIVE ACTION PLAN
YEAR ENDED DECEMBER 31, 2010**

The ASSIST Agency, Inc. respectfully submits the following corrective action plan for the year ended December 31, 2010.

The findings from the December 31, 2010 Schedule of Findings and Questioned Costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

Finding No. 2010-1

Recommendation: Management should implement procedures to insure that all required filing deadlines are met.

Action Taken: The Agency will work aggressively in the future to ensure that all actions taken related to the preparation of the annual audit and its submission result in timely filings. We will require weekly status updates (either verbal or in writing) be provided to the Executive Director from both the auditors and the accounting department during and after fieldwork.

Finding No. 2010-2

Recommendation: Management should implement procedures to insure that an adequate structure of internal control is in place and functioning as designed.

Action Taken: Management is reviewing the current structure and developing policies to address areas of concern – specifically the interfund activity.

Finding No. 2010-3

Recommendation: Management should implement procedures to insure that an adequate structure of internal control is in place and functioning as designed.

Action Taken: The Board will require quarterly reports from the Finance Department and consulting CPA as to the status of improvements to the control structure. These reports will allow the Board to monitor the ongoing development of procedures to ensure an adequate structure of internal controls.

If the Louisiana Legislative Auditor has questions regarding this plan, please contact Sharon Clement,
Executive Director, 337-788-7550, ext 130, P.O. Box 1404, Crowley, LA 70527.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Ronald Darby". The signature is written in a cursive style with a large, stylized "R" and "D".

Mr. Ronald Darby

Board President

The ASSIST Agency, Inc.